

State of Arizona
Senate
Forty-seventh Legislature
First Regular Session
2005

CHAPTER 104

SENATE BILL 1275

AN ACT

AMENDING SECTIONS 41-2083 AND 41-2123, ARIZONA REVISED STATUTES; AMENDING SECTION 41-2124, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2000, CHAPTER 405, SECTION 21; AMENDING SECTION 41-2124, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2004, CHAPTER 293, SECTION 1; AMENDING SECTION 41-2124, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2004, CHAPTER 293, SECTION 2; AMENDING SECTION 41-2124, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2004, CHAPTER 293, SECTIONS 1 AND 2; RELATING TO MOTOR FUEL; PROVIDING FOR CONDITIONAL ENACTMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 41-2083, Arizona Revised Statutes, is amended to
3 read:

4 41-2083. Standards for motor fuel; exceptions

5 A. Except as provided in subsections C, D, E, F, G, K, L, M and N of
6 this section, a retail seller or fleet owner shall not store, sell or expose
7 or offer for sale any motor fuel, kerosene, oil or other liquid or gaseous
8 fuel or lubricating oil, lubricant, mixtures of lubricants or other similar
9 products if the product fails to meet the standards specified in this section
10 and in the rules adopted by the director.

11 B. A person shall not misrepresent the nature, origination, quality,
12 grade or identity of any product specified in subsection A of this section or
13 represent the nature, origination, quality, grade or identity of such product
14 in any manner calculated or tending to mislead or in any way deceive.

15 C. After consultation with the director of the department of
16 environmental quality, the standards and test methods for motor fuels shall
17 be established by the director of the department of weights and measures by
18 rule.

19 D. Maximum vapor pressure for gasoline that is supplied or sold by any
20 person and that is intended as a final product for the fueling of motor
21 vehicles in a county with a population of one million two hundred thousand or
22 more persons and any portion of a county contained in area A as defined in
23 section 49-541 shall be 9.0 pounds per square inch from and after September
24 30 through ~~March~~ JANUARY 31 of each year. Fuel used in motor vehicles at a
25 manufacturer's proving ground or a motor vehicle racing event as defined by
26 section 41-2121 is exempt from this subsection.

27 E. From and after September 30 through March 31 of each year a person
28 shall not supply or sell gasoline that exceeds the ASTM D4814 class A vapor
29 pressure/distillation class ten volume per cent evaporated distillation
30 temperature.

31 F. Maximum vapor pressure for gasoline that is supplied or sold by any
32 person and that is intended as a final product for the fueling of motor
33 vehicles in a county with a population of one million two hundred thousand
34 persons or more and any portion of a county contained in area A as defined in
35 section 49-541 shall be 7.0 pounds per square inch from and after May 31
36 through September 30 of each year. Fuel used in motor vehicles at a
37 manufacturer's proving ground or a motor vehicle racing event as defined by
38 section 41-2121 is exempt from this subsection.

39 G. Exclusively for the purposes of transportation conformity and only
40 if the administrator of the United States environmental protection agency
41 fails to approve the applicable plan required pursuant to section 49-406,
42 maximum vapor pressure for gasoline that is supplied or sold by any person
43 and that is intended as a final product for the fueling of motor vehicles in
44 area B as defined in section 49-541 shall be ten pounds per square inch from
45 and after September 30 through March 31 of each year. Fuel used in motor

1 vehicles at a manufacturer's proving ground or a motor vehicle racing event
2 as defined by section 41-2121 is exempt from this subsection.

3 H. Notwithstanding subsections D, F and G of this section, the
4 director of the department of weights and measures in consultation with the
5 director of the department of environmental quality shall approve alternate
6 fuel control measures that are submitted by manufacturers or suppliers of
7 gasoline and that the directors determine will result in either of the
8 following:

9 1. Motor vehicle carbon monoxide emissions that are equal to or less
10 than emissions that result under compliance with subsection D of this section
11 and section 41-2123. In making this determination, the director of the
12 department of weights and measures and the director of the department of
13 environmental quality shall compare the emissions of the alternate fuel
14 control measure with the emissions of a fuel with a maximum vapor pressure
15 standard as prescribed by this section and with the minimum oxygen content or
16 percentage by volume of ethanol as prescribed by section 41-2123.

17 2. Motor vehicle non-methane hydrocarbon emissions that are equal to
18 or less than the emissions that result under compliance with subsection F of
19 this section. In making this determination, the director of the department
20 of weights and measures and the director of the department of environmental
21 quality shall compare the motor vehicle non-methane hydrocarbon emissions of
22 the alternate fuel control measure with the motor vehicle non-methane
23 hydrocarbon emissions of a fuel that complies with the maximum vapor pressure
24 standard as prescribed by subsection F of this section.

25 I. Any alternate fuel control measures that are approved shall not
26 increase emissions of non-methane hydrocarbons, particulates, carbon monoxide
27 or oxides of nitrogen. Alternate fuel control measures approved pursuant to
28 subsection H of this section and this subsection may be used by any
29 manufacturer or supplier of gasoline unless the approval is rescinded more
30 than one hundred eighty days before the first day of a gasoline control
31 period. Manufacturers and suppliers who use an approved alternate fuel
32 control measure shall annually submit a compliance plan to the director of
33 the department of weights and measures no later than sixty days before the
34 first day of a gasoline control period.

35 J. A person shall not sell or offer or expose for sale diesel fuel
36 grade 1, 2 or 4 as defined in ASTM D975 that contains sulfur in excess of
37 five hundred parts per million for use in area A as defined in section
38 49-541.

39 K. A person shall not sell or offer or expose for sale biodiesel that
40 is not tested or does not meet the specifications established by ASTM D6751
41 or any blend of biodiesel and diesel fuel that is not tested or does not meet
42 the specifications established by ASTM D975 and that contains sulfur in
43 excess of five hundred parts per million for use in area A as defined in
44 section 49-541.

1 L. A person ~~that~~ WHO blends biodiesel that is intended as a final
2 product for the fueling of motor vehicles shall report to the director by the
3 fifteenth day of each month the quantity and quality of biodiesel shipped to
4 or produced in this state during the preceding month. A person who supplies
5 biodiesel subject to this subsection shall report the following by batch:

6 1. The percentage of biodiesel in a final blend.
7 2. The volume of the finished product.
8 3. For neat biodiesel, the results of analysis for those parameters
9 established by ASTM D6751.

10 4. For biodiesel blended with any diesel fuel, the results of the
11 analysis of the following motor fuel parameters as established by ASTM D975:

12 (a) Sulfur content.
13 (b) Aromatic hydrocarbon content.
14 (c) Cetane number.
15 (d) Specific gravity.
16 (e) American petroleum institute gravity.
17 (f) The temperatures at which ten per cent, fifty per cent and ninety
18 per cent of the diesel fuel boiled off during distillation.

19 M. The report required by subsection L of this section shall be on a
20 form prescribed by the director and shall contain a certification of
21 truthfulness and accuracy of the data submitted and a statement of the
22 supplier's consent permitting the department or its authorized agent to
23 collect samples and access records as provided in rules adopted by the
24 department. A corporate officer who is responsible for operations at the
25 facility that produces or ships the final product shall sign the report.

26 N. A person shall label dispensers at which biodiesel is dispensed in
27 such a manner as to notify other persons of the volume percentage of
28 biodiesel in the finished product.

29 Sec. 2. Section 41-2123, Arizona Revised Statutes, is amended to
30 read:

31 41-2123. Area A; sale of gasoline; oxygen content

32 A. From and after November 1 through ~~March~~ JANUARY 31 of each year, ~~+~~
33 ~~+~~ all gasoline that is supplied or sold by any person and that is
34 intended as a final product for the fueling of motor vehicles within a county
35 with a population of one million two hundred thousand or more persons and any
36 portion of a county contained in area A or that is consumed in a motor
37 vehicle in a county with a population of one million two hundred thousand or
38 more persons and any portion of a county contained in area A by a fleet
39 owner:

40 1. Shall CONTAIN, for a gasoline-ethanol blend, ~~contain~~ not less than
41 ten per cent by volume of ethanol nor more than the maximum percentage of
42 oxygen allowed by provisions of a waiver issued or other limits established
43 by the United States environmental protection agency.

44 ~~2. All gasoline that is supplied or sold by any person and that is~~
45 ~~intended as a final product for the fueling of motor vehicles within a county~~

1 ~~with a population of one million two hundred thousand or more persons and any~~
2 ~~portion of a county contained in area A or that is consumed in a motor~~
3 ~~vehicle within a county with a population of one million two hundred thousand~~
4 ~~or more persons and any portion of a county contained in area A by a fleet~~
5 ~~owner~~

6 2. Shall CONTAIN, for a blend other than a gasoline-ethanol blend,
7 contain not less than 2.7 per cent by weight of oxygen nor more than the
8 maximum percentage of oxygen allowed by provisions of a waiver issued or
9 other limits established by the United States environmental protection
10 agency.

11 3. MAY CONTAIN, FOR A GASOLINE-ETHANOL BLEND, LESS THAN TEN PER CENT
12 BY VOLUME OF ETHANOL ON APPROVAL BY THE DIRECTOR OF A PETITION FILED PURSUANT
13 TO SECTION 41-2124, SUBSECTION D. THE APPROVAL APPLIES TO ALL REGISTERED
14 SUPPLIERS AND OXYGENATE BLENDERS, AND FOR THE DURATION OF THAT APPROVAL, THE
15 SUPPLY OR SALE OF GASOLINE-ETHANOL BLENDS THAT CONTAIN LESS THAN TEN PER CENT
16 BY VOLUME OF ETHANOL IS NOT SUBJECT TO SUBSECTIONS B AND C OF THIS SECTION.

17 B. Notwithstanding subsection A of this section, the director of the
18 department of weights and measures in consultation with the director of the
19 department of environmental quality shall approve alternate fuel control
20 measures that are submitted by manufacturers or suppliers of gasoline and
21 that the directors determine will result in motor vehicle carbon monoxide
22 emissions that are equal to or less than emissions that result under
23 compliance with subsection A of this section and section 41-2083. In making
24 this determination, the director of the department of weights and measures
25 and the director of the department of environmental quality shall compare the
26 emissions of the alternate fuel control measure with the emissions of a fuel
27 with a maximum vapor pressure standard as prescribed by section 41-2083 and
28 with the minimum oxygen content or percentage by volume of ethanol as
29 prescribed by this section.

30 C. Any alternate fuel control measures that are approved shall not
31 increase emissions of non-methane hydrocarbons, particulates, carbon monoxide
32 or oxides of nitrogen. Alternate fuel control measures approved pursuant to
33 subsection B of this section and this subsection may be used by any
34 manufacturer or supplier of gasoline unless the approval is rescinded more
35 than one hundred eighty days before the first day of a gasoline control
36 period. Manufacturers and suppliers who use an approved alternate fuel
37 control measure shall annually submit a compliance plan to the director of
38 the department of weights and measures no later than sixty days before the
39 first day of a gasoline control period.

40 Sec. 3. Section 41-2124, Arizona Revised Statutes, as amended by Laws
41 2000, chapter 405, section 21, is amended to read:

42 41-2124. Area A; fuel reformulation; rules

43 A. From and after May 1, 1999, all gasoline produced and shipped to or
44 within this state and sold or offered for sale for use in motor vehicles in a
45 county with a population of one million two hundred thousand or more persons

1 and any portion of a county contained in area A, subject to an appropriate
2 waiver granted by the administrator of the United States environmental
3 protection agency pursuant to section 211(c)(4) of the clean air act as
4 defined in section 49-401.01, shall comply with either of the following fuel
5 reformulation options:

6 1. A gasoline that meets standards for federal phase II reformulated
7 gasoline, as provided in 40 Code of Federal Regulations section 80.41,
8 paragraphs (e) through (h), in effect on January 1, 1999, except that the
9 minimum oxygen content standard, ~~including methyl tertiary butyl ether~~, does
10 not apply. The gasoline shall also meet the maximum vapor pressure
11 requirements in section 41-2083, subsections D and F.

12 2. California phase 2 reformulated gasoline, including alternative
13 formulations allowed by the predictive model, as adopted by the California
14 air resources board pursuant to California code of regulations title 13,
15 sections 2261 through 2262.7 and 2265, in effect on January 1, 1997, except
16 that the minimum oxygen content standard, ~~including methyl tertiary butyl~~
17 ~~ether~~, does not apply. The gasoline shall also meet the maximum vapor
18 pressure requirements in section 41-2083, subsections D and F.

19 B. From and after November 1, 2000 through March 31, 2001 and from the
20 period beginning November 1 through March 31 of each subsequent year, all
21 gasoline produced and shipped to or within this state and sold or offered for
22 sale for use in motor vehicles in a county with a population of one million
23 two hundred thousand or more persons and any portion of a county contained in
24 area A, subject to an appropriate waiver granted by the administrator of the
25 United States environmental protection agency pursuant to section 211(c)(4)
26 of the clean air act as defined in section 49-401.01, shall comply with
27 standards for California phase 2 reformulated gasoline, including alternative
28 formulations allowed by the predictive model, as adopted by the California
29 air resources board pursuant to California code of regulations title 13,
30 sections 2261 through 2262.7 and 2265, in effect on January 1, 1997 and shall
31 meet the maximum vapor pressure requirements in section 41-2083, subsections
32 D and F. The fuel described in this subsection shall meet the requirements
33 of section 41-2123, subsection A, paragraph 1.

34 C. From November 1, 2000 through March 31, 2001 and for each winter
35 season of November through March thereafter, the director of the department
36 of weights and measures shall determine the average levels of the
37 constituents in the gasoline sold or offered for sale in area A and shall
38 provide the results of this determination to the director of environmental
39 quality. The director of environmental quality shall analyze the data
40 provided by the director of the department of weights and measures and, no
41 later than July 1, 2001 and each July thereafter, shall determine the average
42 daily carbon monoxide reductions resulting from the use of the gasoline
43 specified in subsection B of this section during the preceding winter season.
44 If the average daily carbon monoxide reductions resulting from the use of the
45 gasoline specified in subsection B of this section during the preceding

1 winter season are less than ninety per cent of the goal of thirty-two tons
2 per day in 2001, thirty-one tons per day in 2003, thirty tons per day in
3 2005, twenty-nine tons per day in 2007, or twenty-eight tons per day in
4 2009, the director of the department of environmental quality shall
5 immediately notify the governor, the president of the senate and the speaker
6 of the house of representatives.

7 D. Any registered supplier or oxygenate blender, as defined in
8 department rules, may petition the director to request that all registered
9 suppliers or oxygenate blenders be allowed to comply with any provision of
10 section 41-2123, subsection A, provided the petitioner can demonstrate that
11 ethanol supply shortages are imminent.

12 E. The petition shall:

13 1. Identify specific supply conditions that will result in a shortage
14 of ethanol.

15 2. Identify which oxygenate or oxygenates AND THE CONCENTRATION THAT
16 will be blended into gasoline for sale or use in area A.

17 3. Demonstrate that the alternative oxygenate blend comes closest to
18 meeting a three and one-half per cent by weight oxygen content at reasonable
19 cost, UNLESS THE REGISTERED SUPPLIER OR OXYGENATE BLENDER IS PETITIONING TO
20 USE A GASOLINE-ETHANOL BLEND CONTAINING LESS THAN TEN PER CENT BY VOLUME OF
21 ETHANOL.

22 4. Specify a time period for compliance with any provision of section
23 41-2123, subsection A, not to exceed sixty days.

24 F. The director shall either grant or deny the petition in writing
25 within seven days of its receipt. Any decision by the director to grant the
26 petition shall be equally applicable to all registered suppliers or oxygenate
27 blenders and shall not be selectively applied to any single registered
28 supplier or oxygenate blender. The petition may be granted only if the
29 director verifies that the basis for requesting the petition is factual.

30 G. The director may reauthorize a petition if the petitioner can
31 demonstrate that the conditions have continued. The reauthorization of a
32 petition shall not exceed thirty days.

33 H. The director of the department of weights and measures shall
34 consult with the director of the department of environmental quality prior to
35 granting, reauthorizing or denying any such petition.

36 ~~I. From and after November 1, 1999 through March 31, 2000, the fuels~~
37 ~~described in subsection A of this section shall meet the requirements of~~
38 ~~section 41-2123.~~

39 ~~J.~~ I. The director of environmental quality in consultation with the
40 director of the department of weights and measures shall adopt by rule:

41 1. Requirements to implement subsections A through I of this section.

42 2. Requirements for record keeping, reporting and analytical methods
43 for fuel providers to demonstrate compliance with subsections A through E of
44 this section.

1 K. J. This section does not apply to fuel sold for use at a motor
2 vehicle manufacturer proving ground or at a motor vehicle racing event.

3 Sec. 4. Section 41-2124, Arizona Revised Statutes, as amended by Laws
4 2004, chapter 293, section 1, is amended to read:

5 41-2124. Area A: fuel reformulation; rules

6 A. All gasoline produced and shipped to or within this state and sold
7 or offered for sale for use in motor vehicles in a county with a population
8 of one million two hundred thousand or more persons and any portion of a
9 county contained in area A, subject to an appropriate waiver granted by the
10 administrator of the United States environmental protection agency pursuant
11 to section 211(c)(4) of the clean air act as defined in section 49-401.01,
12 shall comply with either of the following fuel reformulation options:

13 1. A gasoline that meets standards for federal phase II reformulated
14 gasoline, as provided in 40 Code of Federal Regulations section 80.41,
15 paragraphs (e) through (h), in effect on January 1, 1999, except that the
16 minimum oxygen content standard, ~~including methyl tertiary butyl ether~~, does
17 not apply. The gasoline shall also meet the maximum vapor pressure
18 requirements in section 41-2083, subsections D and F.

19 2. California phase 3 reformulated gasoline, including alternative
20 formulations allowed by the predictive model, as adopted by the California
21 air resources board pursuant to California code of regulations title 13,
22 sections 2261 through 2263, 2265 and 2266.5, in effect on May 1, 2003,
23 including vapor pressure requirements contained in section 2262.4.

24 B. From and after November 1, 2000 through March 31, 2001 and from the
25 period beginning November 1 through March 31 of each subsequent year, all
26 gasoline produced and shipped to or within this state and sold or offered for
27 sale for use in motor vehicles in a county with a population of one million
28 two hundred thousand or more persons and any portion of a county contained in
29 area A, subject to an appropriate waiver granted by the administrator of the
30 United States environmental protection agency pursuant to section 211(c)(4)
31 of the clean air act as defined in section 49-401.01, shall comply with
32 standards for California phase 3 reformulated gasoline, including alternative
33 formulations allowed by the predictive model, as adopted by the California
34 air resources board pursuant to California code of regulations title 13,
35 sections 2261 through 2263, 2265 and 2266.5, in effect on May 1, 2003 and
36 shall meet the maximum vapor pressure requirements in section 41-2083,
37 subsections D and F. The fuel described in this subsection shall meet the
38 requirements of section 41-2123, subsection A, paragraph 1.

39 C. From November 1, 2000 through March 31, 2001 and for each winter
40 season of November through March thereafter, the director of the department
41 of weights and measures shall determine the average levels of the
42 constituents in the gasoline sold or offered for sale in area A and shall
43 provide the results of this determination to the director of the department
44 of environmental quality. The director of the department of environmental
45 quality shall analyze the data provided by the director of the department of

1 weights and measures and, no later than July 1, 2001 and each July
2 thereafter, shall determine the average daily carbon monoxide reductions
3 resulting from the use of the gasoline specified in subsection B of this
4 section during the preceding winter season. If the average daily carbon
5 monoxide reductions resulting from the use of the gasoline specified in
6 subsection B of this section during the preceding winter season are less than
7 ninety per cent of the goal of thirty-two tons per day in 2001, thirty-one
8 tons per day in 2003, thirty tons per day in 2005, twenty-nine tons per day
9 in 2007,— or twenty-eight tons per day in 2009, the director of the
10 department of environmental quality shall immediately notify the governor,
11 the president of the senate and the speaker of the house of representatives.

12 D. Any registered supplier or oxygenate blender, as defined in
13 department rules, may petition the director to request that all registered
14 suppliers or oxygenate blenders be allowed to comply with any provision of
15 section 41-2123, subsection A, provided the petitioner can demonstrate that
16 ethanol supply shortages are imminent.

17 E. The petition shall:

18 1. Identify specific supply conditions that will result in a shortage
19 of ethanol.

20 2. Identify which oxygenate or oxygenates AND THE CONCENTRATION THAT
21 will be blended into gasoline for sale or use in area A.

22 3. Demonstrate that the alternative oxygenate blend comes closest to
23 meeting a three and one-half per cent by weight oxygen content at reasonable
24 cost, UNLESS THE REGISTERED SUPPLIER OR OXYGENATE BLENDER IS PETITIONING TO
25 USE A GASOLINE-ETHANOL BLEND CONTAINING LESS THAN TEN PER CENT BY VOLUME OF
26 ETHANOL.

27 4. Specify a time period for compliance with any provision of section
28 41-2123, subsection A, not to exceed sixty days.

29 F. The director shall either grant or deny the petition in writing
30 within seven days of its receipt. Any decision by the director to grant the
31 petition shall be equally applicable to all registered suppliers or oxygenate
32 blenders and shall not be selectively applied to any single registered
33 supplier or oxygenate blender. The petition may be granted only if the
34 director verifies that the basis for requesting the petition is factual.

35 G. The director may reauthorize a petition if the petitioner can
36 demonstrate that the conditions have continued. The reauthorization of a
37 petition shall not exceed thirty days.

38 H. The director of the department of weights and measures shall
39 consult with the director of the department of environmental quality prior to
40 granting, reauthorizing or denying any such petition.

41 I. The director of the department of environmental quality in
42 consultation with the director of the department of weights and measures
43 shall adopt by rule:

44 1. Requirements to implement subsections A through E of this section.

1 2. Requirements for record keeping, reporting and analytical methods
2 for fuel providers to demonstrate compliance with subsections A through E of
3 this section.

4 J. The director of the department of environmental quality in
5 consultation with the director of the department of weights and measures
6 shall adopt rules to implement this section to be consistent with applicable
7 federal and California state fuel formulation rules to the extent
8 practicable.

9 K. This section does not apply to fuel sold for use at a motor vehicle
10 manufacturer proving ground or at a motor vehicle racing event.

11 Sec. 5. Section 41-2124, Arizona Revised Statutes, as amended by Laws
12 2004, chapter 293, section 2, is amended to read:

13 41-2124. Area A; fuel reformulation; rules

14 A. From and after May 1, 1999, all gasoline produced and shipped to or
15 within this state and sold or offered for sale for use in motor vehicles in a
16 county with a population of one million two hundred thousand or more persons
17 and any portion of a county contained in area A, subject to an appropriate
18 waiver granted by the administrator of the United States environmental
19 protection agency pursuant to section 211(c)(4) of the clean air act as
20 defined in section 49-401.01, shall comply with either of the following fuel
21 reformulation options:

22 1. A gasoline that meets standards for federal phase II reformulated
23 gasoline, as provided in 40 Code of Federal Regulations section 80.41,
24 paragraphs (e) through (h), in effect on January 1, 1999, except that the
25 minimum oxygen content standard, ~~including methyl tertiary butyl ether~~, does
26 not apply. The gasoline shall also meet the maximum vapor pressure
27 requirements in section 41-2083, subsections D and F.

28 2. California phase 2 reformulated gasoline, including alternative
29 formulations allowed by the predictive model, as adopted by the California
30 air resources board pursuant to California code of regulations title 13,
31 sections 2261 through 2262.7 and 2265, in effect on January 1, 1997, except
32 that the minimum oxygen content standard, ~~including methyl tertiary butyl~~
33 ~~ether~~, does not apply. The gasoline shall also meet the maximum vapor
34 pressure requirements in section 41-2083, subsections D and F.

35 B. Beginning November 1 through January 31 of each year, all gasoline
36 produced and shipped to or within this state and sold or offered for sale for
37 use in motor vehicles in a county with a population of one million two
38 hundred thousand or more persons and any portion of a county contained in
39 area A, subject to an appropriate waiver granted by the administrator of the
40 United States environmental protection agency pursuant to section 211(c)(4)
41 of the clean air act as defined in section 49-401.01, shall comply with
42 standards for California phase 2 reformulated gasoline, including alternative
43 formulations allowed by the predictive model, as adopted by the California
44 air resources board pursuant to California code of regulations title 13,
45 sections 2261 through 2262.7 and 2265, in effect on January 1, 1997 and shall

1 meet the maximum vapor pressure requirements in section 41-2083, subsections
2 D and F. The fuel described in this subsection shall meet the requirements
3 of section 41-2123, subsection A, paragraph 1.

4 C. For November 1, 2000 through January 31, 2001 and for each winter
5 season of November through January thereafter, the director of the department
6 of weights and measures shall determine the average levels of the
7 constituents in the gasoline sold or offered for sale in area A and shall
8 provide the results of this determination to the director of the department
9 of environmental quality. The director of the department of environmental
10 quality shall analyze the data provided by the director of the department of
11 weights and measures and, no later than July 1, 2001 and each July
12 thereafter, shall determine the average daily carbon monoxide reductions
13 resulting from the use of the gasoline specified in subsection B of this
14 section during the preceding winter season. If the average daily carbon
15 monoxide reductions resulting from the use of the gasoline specified in
16 subsection B of this section during the preceding winter season are less than
17 ninety per cent of the goal of thirty-two tons per day in 2001, thirty-one
18 tons per day in 2003, thirty tons per day in 2005, twenty-nine tons per day
19 in 2007, or twenty-eight tons per day in 2009, the director of the
20 department of environmental quality shall immediately notify the governor,
21 the president of the senate and the speaker of the house of representatives.

22 D. Any registered supplier or oxygenate blender, as defined in
23 department rules, may petition the director to request that all registered
24 suppliers or oxygenate blenders be allowed to comply with any provision of
25 section 41-2123, subsection A, provided the petitioner can demonstrate that
26 ethanol supply shortages are imminent.

27 E. The petition shall:

28 1. Identify specific supply conditions that will result in a shortage
29 of ethanol.

30 2. Identify which oxygenate or oxygenates AND THE CONCENTRATION THAT
31 will be blended into gasoline for sale or use in area A.

32 3. Demonstrate that the alternative oxygenate blend comes closest to
33 meeting a three and one-half per cent by weight oxygen content at reasonable
34 cost, UNLESS THE REGISTERED SUPPLIER OR OXYGENATE BLENDER IS PETITIONING TO
35 USE A GASOLINE-ETHANOL BLEND CONTAINING LESS THAN TEN PER CENT BY VOLUME OF
36 ETHANOL.

37 4. Specify a time period for compliance with any provision of section
38 41-2123, subsection A, not to exceed sixty days.

39 F. The director shall either grant or deny the petition in writing
40 within seven days of its receipt. Any decision by the director to grant the
41 petition shall be equally applicable to all registered suppliers or oxygenate
42 blenders and shall not be selectively applied to any single registered
43 supplier or oxygenate blender. The petition may be granted only if the
44 director verifies that the basis for requesting the petition is factual.

1 G. The director may reauthorize a petition if the petitioner can
2 demonstrate that the conditions have continued. The reauthorization of a
3 petition shall not exceed thirty days.

4 H. The director of the department of weights and measures shall
5 consult with the director of the department of environmental quality prior to
6 granting, reauthorizing or denying any such petition.

7 I. The director of the department of environmental quality in
8 consultation with the director of the department of weights and measures
9 shall adopt by rule:

10 1. Requirements to implement subsections A through E of this section.

11 2. Requirements for record keeping, reporting and analytical methods
12 for fuel providers to demonstrate compliance with subsections A through E of
13 this section.

14 J. The director of the department of environmental quality in
15 consultation with the director of the department of weights and measures
16 shall adopt rules to implement this section to be consistent with applicable
17 federal and California state fuel formulation rules to the extent
18 practicable.

19 K. This section does not apply to fuel sold for use at a motor vehicle
20 manufacturer proving ground or at a motor vehicle racing event.

21 Sec. 6. Section 41-2124, Arizona Revised Statutes, as amended by Laws
22 2004, chapter 293, sections 1 and 2, is amended to read:

23 41-2124. Area A; fuel reformulation; rules

24 A. All gasoline produced and shipped to or within this state and sold
25 or offered for sale for use in motor vehicles in a county with a population
26 of one million two hundred thousand or more persons and any portion of a
27 county contained in area A, subject to an appropriate waiver granted by the
28 administrator of the United States environmental protection agency pursuant
29 to section 211(c)(4) of the clean air act as defined in section 49-401.01,
30 shall comply with either of the following fuel reformulation options:

31 1. A gasoline that meets standards for federal phase II reformulated
32 gasoline, as provided in 40 Code of Federal Regulations section 80.41,
33 paragraphs (e) through (h), in effect on January 1, 1999, except that the
34 minimum oxygen content standard, ~~including methyl tertiary butyl ether~~, does
35 not apply. The gasoline shall also meet the maximum vapor pressure
36 requirements in section 41-2083, subsections D and F.

37 2. California phase 3 reformulated gasoline, including alternative
38 formulations allowed by the predictive model, as adopted by the California
39 air resources board pursuant to California code of regulations title 13,
40 sections 2261 through 2263, 2265 and 2266.5, in effect on May 1, 2003,
41 including vapor pressure requirements contained in section 2262.4.

42 B. Beginning November 1 through January 31 of each year, all gasoline
43 produced and shipped to or within this state and sold or offered for sale for
44 use in motor vehicles in a county with a population of one million two
45 hundred thousand or more persons and any portion of a county contained in

1 area A, subject to an appropriate waiver granted by the administrator of the
 2 United States environmental protection agency pursuant to section 211(c)(4)
 3 of the clean air act as defined in section 49-401.01, shall comply with
 4 standards for California phase 3 reformulated gasoline, including alternative
 5 formulations allowed by the predictive model, as adopted by the California
 6 air resources board pursuant to California code of regulations title 13,
 7 sections 2261 through 2263, 2265 and 2266.5, in effect on May 1, 2003 and
 8 shall meet the maximum vapor pressure requirements in section 41-2083,
 9 subsections D and F. The fuel described in this subsection shall meet the
 10 requirements of section 41-2123, subsection A, paragraph 1.

11 C. For November 1, 2000 through January 31, 2001 and for each winter
 12 season of November through January thereafter, the director of the department
 13 of weights and measures shall determine the average levels of the
 14 constituents in the gasoline sold or offered for sale in area A and shall
 15 provide the results of this determination to the director of the department
 16 of environmental quality. The director of the department of environmental
 17 quality shall analyze the data provided by the director of the department of
 18 weights and measures and, no later than July 1, 2001 and each July
 19 thereafter, shall determine the average daily carbon monoxide reductions
 20 resulting from the use of the gasoline specified in subsection B of this
 21 section during the preceding winter season. If the average daily carbon
 22 monoxide reductions resulting from the use of the gasoline specified in
 23 subsection B of this section during the preceding winter season are less than
 24 ninety per cent of the goal of thirty-two tons per day in 2001, thirty-one
 25 tons per day in 2003, thirty tons per day in 2005, twenty-nine tons per day
 26 in 2007,— or twenty-eight tons per day in 2009, the director of the
 27 department of environmental quality shall immediately notify the governor,
 28 the president of the senate and the speaker of the house of representatives.

29 D. Any registered supplier or oxygenate blender, as defined in
 30 department rules, may petition the director to request that all registered
 31 suppliers or oxygenate blenders be allowed to comply with any provision of
 32 section 41-2123, subsection A, provided the petitioner can demonstrate that
 33 ethanol supply shortages are imminent.

34 E. The petition shall:

35 1. Identify specific supply conditions that will result in a shortage
 36 of ethanol.

37 2. Identify which oxygenate or oxygenates AND THE CONCENTRATION THAT
 38 will be blended into gasoline for sale or use in area A.

39 3. Demonstrate that the alternative oxygenate blend comes closest to
 40 meeting a three and one-half per cent by weight oxygen content at reasonable
 41 cost, UNLESS THE REGISTERED SUPPLIER OR OXYGENATE BLENDER IS PETITIONING TO
 42 USE A GASOLINE-ETHANOL BLEND CONTAINING LESS THAN TEN PER CENT BY VOLUME OF
 43 ETHANOL.

44 4. Specify a time period for compliance with any provision of section
 45 41-2123, subsection A, not to exceed sixty days.

1 F. The director shall either grant or deny the petition in writing
2 within seven days of its receipt. Any decision by the director to grant the
3 petition shall be equally applicable to all registered suppliers or oxygenate
4 blenders and shall not be selectively applied to any single registered
5 supplier or oxygenate blender. The petition may be granted only if the
6 director verifies that the basis for requesting the petition is factual.

7 G. The director may reauthorize a petition if the petitioner can
8 demonstrate that the conditions have continued. The reauthorization of a
9 petition shall not exceed thirty days.

10 H. The director of the department of weights and measures shall
11 consult with the director of the department of environmental quality prior to
12 granting, reauthorizing or denying any such petition.

13 I. The director of the department of environmental quality in
14 consultation with the director of the department of weights and measures
15 shall adopt by rule:

- 16 1. Requirements to implement subsections A through E of this section.
17 2. Requirements for record keeping, reporting and analytical methods
18 for fuel providers to demonstrate compliance with subsections A through E of
19 this section.

20 J. The director of the department of environmental quality in
21 consultation with the director of the department of weights and measures
22 shall adopt rules to implement this section to be consistent with applicable
23 federal and California state fuel formulation rules to the extent
24 practicable.

25 K. This section does not apply to fuel sold for use at a motor vehicle
26 manufacturer proving ground or at a motor vehicle racing event.

27 Sec. 7. Conditional enactment

28 A. Section 41-2083, Arizona Revised Statutes, as amended by section 1
29 of this act and section 41-2123, Arizona Revised Statutes, as amended by
30 section 2 of this act, are not effective unless on or before November 1, 2007
31 the administrator of the United States environmental protection agency
32 approves a revision to the state implementation plan as defined in section
33 49-401.01, Arizona Revised Statutes, that incorporates the changes contained
34 in sections 1 and 2 of this act.

35 B. Section 41-2124, Arizona Revised Statutes, as amended by Laws 2004,
36 chapter 293, section 1 and section 4 of this act, is not effective unless
37 only the condition prescribed in Laws 2004, chapter 293, section 5,
38 subsection A is met and notice is provided pursuant to Laws 2004, chapter
39 293, section 5, subsection C.

40 C. Section 41-2124, Arizona Revised Statutes, as amended by Laws 2004,
41 chapter 293, section 2 and section 5 of this act, is not effective unless
42 only the condition prescribed in Laws 2004, chapter 293, section 5,
43 subsection B is met and notice is provided pursuant to Laws 2004, chapter
44 293, section 5, subsection C.

1 D. Section 41-2124, Arizona Revised Statutes, as amended by Laws 2004,
2 chapter 293, sections 1 and 2 and section 6 of this act, is not effective
3 unless the conditions prescribed in Laws 2004, chapter 293, section 5,
4 subsections A and B are met and notice is provided pursuant to Laws 2004,
5 chapter 293, section 5, subsection C.


APPROVED BY THE GOVERNOR APRIL 18, 2005.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 18, 2005.

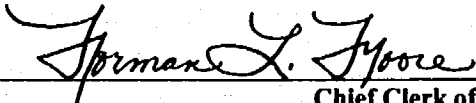
Passed the House April 4, 20 05,

by the following vote: 56 Ayes,

0 Nays, 4 Not Voting



Speaker of the House

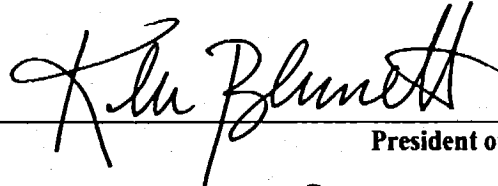


Chief Clerk of the House

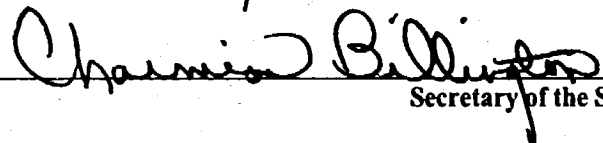
Passed the Senate February 23, 20 05,

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting



President of the Senate



Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

 day of , 20 ,

at o'clock M.

Secretary to the Governor

Approved this day of

 , 20 ,

at o'clock M.

Governor of Arizona

S.B. 1275

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this day of , 20 ,

at o'clock M.

Secretary of State

SENATE CONCURS IN HOUSE AMENDMENTS
AND FINAL PASSAGE

Passed the Senate April 12, 2005.

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting

John Blumenthal
President of the Senate
Charmian Bellington
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

12th day of April, 2005

at 4:20 o'clock P. M.

Wendiger Upbartha
Secretary to the Governor

Approved this 18 day of

April, 2005,

at 1:45 o'clock P. M.

Jan Nye
Governor of Arizona

S.B. 1275

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 18 day of April, 2005,

at 4:42 o'clock P. M.

Janice K. Brewer
Secretary of State